



General Assembly

February Session, 2012

Amendment

LCO No. 5485

HB0551105485HR0

Offered by:

REP. O'NEILL, 69th Dist.

REP. FOX, 146th Dist.

REP. RILEY, 46th Dist.

REP. MEGNA, 97th Dist.

REP. ALBIS, 99th Dist.

REP. SERRA, 33rd Dist.

To: House Bill No. 5511

File No. 513

Cal. No. 389

**"AN ACT CONCERNING THE BUDGET, SPECIAL ASSESSMENT
AND ASSIGNMENT OF FUTURE INCOME APPROVAL PROCESS
IN COMMON INTEREST OWNERSHIP COMMUNITIES."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 47-261e of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective October 1, 2012*):

5 (a) The executive board, at least annually, shall adopt a proposed
6 budget for the common interest community for consideration by the
7 unit owners. Not later than thirty days after the adoption of a
8 proposed budget, the executive board shall provide to all unit owners
9 a summary of the budget, including a statement of the amount of any
10 reserves, and a statement of the basis on which such reserves are
11 calculated and funded. Simultaneously, the board shall set a date not
12 less than ten days or more than sixty days after providing the

13 summary for either a meeting of the unit owners or a vote by ballot
14 without a meeting to consider approval of the budget. If, at that
15 meeting or in the vote by ballot, a majority of all unit owners or any
16 larger number specified in the declaration votes to reject the budget,
17 the budget shall be rejected. If, at that meeting or in the vote by ballot,
18 a majority of all unit owners or any larger number specified in the
19 declaration does not vote to reject the budget, the budget shall be
20 approved. The absence of a quorum at such meeting or participating in
21 the vote by ballot shall not affect rejection or approval of the budget. If
22 a proposed budget is rejected, the budget last approved by the unit
23 owners continues until unit owners approve a subsequent budget.

24 (b) The executive board, at any time, may propose a special
25 assessment. Not later than thirty days after adoption of a proposed
26 special assessment, the executive board shall provide to all unit owners
27 a summary of the proposed special assessment. Unless the declaration
28 or bylaws otherwise provide, if such special assessment, together with
29 all other special and emergency assessments proposed by the executive
30 board in the same calendar year, do not exceed fifteen per cent of the
31 association's last adopted periodic budget for that calendar year, the
32 special assessment is effective without approval of the unit owners.
33 Otherwise, the board shall set a date not less than ten days or more
34 than sixty days after providing the summary for either a meeting of the
35 unit owners or a vote by ballot without a meeting to consider approval
36 of the special assessment. If, at such meeting or in the balloting, a
37 majority of all unit owners or any larger number specified in the
38 declaration votes to reject the special assessment, the special
39 assessment shall be rejected. If, at such meeting or in the balloting, a
40 majority of all unit owners or any larger number specified in the
41 declaration does not vote to reject the special assessment, the special
42 assessment shall be approved. The absence of a quorum at such
43 meeting or participating in the vote by ballot shall not affect the
44 rejection or approval of the special assessment.

45 (c) If the executive board determines by a two-thirds vote that a
46 special assessment is necessary to respond to an emergency: (1) The

47 special assessment becomes effective immediately in accordance with
48 the terms of the vote; (2) notice of the emergency assessment must be
49 provided promptly to all unit owners; and (3) the executive board may
50 spend the funds paid on account of the emergency assessment only for
51 the purposes described in the vote.

52 (d) Notwithstanding any provision of the declaration or bylaws to
53 the contrary, at least fourteen days prior to entering into any loan
54 agreement on behalf of the association, the executive board shall (1)
55 disclose in a record to all unit owners the amount and terms of the loan
56 and the estimated effect of such loan on any common expense
57 assessment, and (2) afford the unit owners a reasonable opportunity to
58 submit comments in a record to the executive board with respect to
59 such loan.

60 (e) Unless prohibited or otherwise limited in the declaration, if the
61 executive board proposes to enter into a loan agreement on behalf of
62 the association and to assign its right to future income as security for
63 such loan pursuant to subdivision (14) of subsection (a) of section 47-
64 244, then, in addition to satisfying the requirements of subsection (d) of
65 this section, [unit owners of units to which at least a majority of the
66 votes in the association are allocated, or any larger percentage or
67 fraction stated in the declaration, must vote in favor of or agree to such
68 assignment] the board shall set a date not less than ten days or more
69 than sixty days after satisfying the requirements of subsection (d) of
70 this section, for a meeting of the unit owners and a vote by ballot at the
71 meeting to consider approval of such assignment. If, at such meeting, a
72 majority of all unit owners or any larger number specified in the
73 declaration votes to reject the assignment, the assignment shall be
74 rejected. If, at such meeting, a majority of all unit owners or any larger
75 number specified in the declaration does not vote to reject the
76 assignment, the assignment shall be approved. The absence of a
77 quorum at such meeting shall not affect the rejection or approval of the
78 assignment.

79 (f) Notwithstanding the provisions of subsection (a) of this section,

80 adoption of a proposed budget for any association of a common
81 interest community, or a master association as defined in section 47-
82 239 exercising the powers on behalf of one or more common interest
83 communities or for the benefit of the unit owners of one or more
84 common interest communities, which community or communities
85 were established prior to July 3, 1991, and have more than two
86 thousand four hundred residential units, shall be in accordance with
87 the provisions of this subsection. The executive board of any such
88 association, at least annually, shall adopt a proposed budget for the
89 community or communities for consideration by the unit owners. Not
90 later than thirty days after the adoption of a proposed budget, the
91 executive board shall provide to all unit owners a summary of the
92 budget, including a statement of the amount of any reserves, and a
93 statement of the basis on which such reserves are calculated and
94 funded. Simultaneously, the board shall set a date not less than ten
95 days or more than sixty days after providing the summary for either a
96 meeting of the unit owners or a vote by ballot without a meeting to
97 consider approval of the budget. If, at that meeting or in the vote by
98 ballot, a majority of the unit owners voting votes to reject the budget,
99 the budget shall be rejected, provided not less than thirty-three and
100 one-third per cent of the unit owners entitled to vote on the proposed
101 budget, vote at that meeting or in the vote by ballot to reject the
102 budget. If, at that meeting or in the vote by ballot, a majority of the unit
103 owners voting does not vote to reject the budget, the budget shall be
104 approved. If a proposed budget is rejected, the budget last approved
105 by the unit owners continues until unit owners approve a subsequent
106 budget. In the event that less than thirty-three and one-third per cent
107 of the unit owners entitled to vote on the proposed budget exercise
108 their right to vote on the proposed budget at a meeting of the unit
109 owners or in a vote by ballot, the budget shall be deemed approved.

110 (g) Notwithstanding the provisions of subsection (b) of this section,
111 adoption of a proposed special assessment for any association of a
112 common interest community, or a master association as defined in
113 section 47-239 exercising the powers on behalf of one or more common

114 interest communities or for the benefit of the unit owners of one or
115 more common interest communities, which community or
116 communities were established prior to July 3, 1991, and have more
117 than two thousand four hundred residential units, shall be in
118 accordance with the provisions of this subsection. The executive board
119 of any such association, at any time, may propose a special assessment.
120 Not later than thirty days after adoption of a proposed special
121 assessment, the executive board shall provide to all unit owners a
122 summary of the proposed special assessment. Unless the declaration or
123 bylaws otherwise provide, if such special assessment, together with all
124 other special and emergency assessments proposed by the executive
125 board in the same calendar year, do not exceed fifteen per cent of the
126 association's last adopted periodic budget for that calendar year, the
127 special assessment is effective without approval of the unit owners.
128 Otherwise, the board shall set a date not less than ten days or more
129 than sixty days after providing the summary for either a meeting of the
130 unit owners or a vote by ballot without a meeting to consider approval
131 of the special assessment. If, at that meeting or in the vote by ballot, a
132 majority of the unit owners voting votes to reject the special
133 assessment, the special assessment shall be rejected, provided not less
134 than thirty-three and one-third per cent of the unit owners entitled to
135 vote on the proposed special assessment, vote at that meeting or in the
136 vote by ballot to reject the special assessment. If, at that meeting or in
137 the vote by ballot, a majority of the unit owners voting does not vote to
138 reject the special assessment, the special assessment shall be approved.
139 In the event that less than thirty-three and one-third per cent of the
140 unit owners entitled to vote on the proposed special assessment
141 exercise their right to vote on the proposed special assessment at a
142 meeting of the unit owners or in a vote by ballot, the special
143 assessment shall be deemed approved."

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2012	47-261e
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